SUCCESS STORY

When Dreams Have Wheels

Microcredit helps Roma entrepreneur with crucial step in his business development

Penko Vassilev of Topolchanni village used a small loan to purchase a vehicle for transporting supplies from the city of Sliven to his remote community.

A resident of the small, remote town of Topolchanni, Penko Vassilev is busy selling food and supplies to his Roma community. His business, a grocery store, was once a distant dream.

In 2002 Penko connected with Mikrofond, an organization that provides micro-sized enterprises with financing. With the assistance of a Mikrofond loan officer, Penko received a small loan to start his business. He has now successfully repaid eight consecutive loans and is currently using his ninth to purchase a vehicle.

Penko's store is the only one in the area and is crucial to the well-being of the community. To keep up with demand for much needed supplies, he must travel every second day to the city of Sliven, twenty kilometers distant, to replenish his stock. Penko rented vehicles at the rate of about ten dollars a day. In consultation with his loan officer, Penko determined that it would be more cost effective to purchase rather than to continue renting a vehicle. He completed this purchase using his ninth Mikrofond loan of about $2,840. He expects to pay off the vehicle in two years.

From a small micro-loan and a dream of opening up a food store, to an ever expanding grocery store with a company vehicle, Penko Vassilev is one example of how micro-lending and entrepreneurship investment can help individuals successfully grow economically, improving their lives and the lives of others in the community.

The Alliance for Inclusive Business Development of Roma Communities in Bulgaria is a joint project and Global Development Alliance of USAID, Catholic Relief Services, Ustoi microfinance institution, and Mikrofond. The project's goal is to improve the economic livelihoods of marginalized Roma communities and to promote a positive image of the Roma entrepreneur.